

PRLBL PRIVATE LABEL SOURCING, LLC

10/15/2007 1:03 PM

22-3800350

**Federal Statements**

FYE: 12/31/2006

**Statement 1 - Form 1065, Page 1, Line 7 - Other Income (Loss)**

Description	Amount
INSURANCE PROCEEDS	\$ 180,061
MISC	55
Total	\$ 180,116

**Statement 2 - Form 1065, Page 1, Line 14 - Taxes**

Description	Amount
NEW YORK CITY FILING FEE	\$ 500
BUSINESS LICENSES AND FEES	200
PAYROLL TAXES	58,214
Total	\$ 58,914

**Statement 3 - Form 1065, Page 1, Line 20 - Other Deductions**

Description	Amount
ADVERTISING	\$ 1,039
ASSISTANT FEE	3,488
AUTO ALLOWANCE	11,000
AUTO LEASE	13,652
BANK SERVICE CHARGES	17,785
CAR SERVICES	22,930
CAR EXPENSES	22,877
COMPUTER EXPENSES	12,524
COMPUTER MAINTENANCE	10,460
CONFERENCES & SEMINARS	5,710
CONSULTING EXPENSE	138,184
COURIER SERVICES	85,054
DESIGN SUPPLIES	26,346
DESIGNER FEE	13,822
DUES & SUBSCRIPTIONS	3,244
EQUIPMENT RENTAL EXPENSE	13,165
FACTOR COMMISSIONS	65,715
INSURANCE	56,561
INTERNET FEE	5,075
MISCELLANEOUS	3,338
OFFICE CLEANING	12,800
OFFICE EXPENSE	11,627
PHOTOCOPYING	1,186
POSTAGE & SHIPPING	534
PROFESSIONAL FEES	79,124
BONUSES	25,200
FACTORY & CUSTOMER SAMPLES	367,669
TELEPHONE & FAX	45,265
TRAVEL	148,965
UTILITIES	12,595
Entertainment Expense * 50%	7,972
Amortization	1,000
Total	\$ 1,245,906

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**Federal Statements**

FYE: 12/31/2006

**Statement 4 - Form 1065, Schedule A, Line 5 - Other Costs**

<u>Description</u>	<u>Amount</u>
CUSTOM DUTIES	\$ 1,206,943
FREIGHT COSTS	348,193
LABELS	1,939
WAREHOUSE FEES	314,615
AGENT COMMISSIONS	417,431
Total	<u>\$ 2,289,121</u>

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**Federal Statements**

FYE: 12/31/2006

**Statement 5 - Form 1065, Schedule K, Line 18c - Nondeductible Expenses**

<u>Description</u>	<u>Amount</u>
Nondeductible Meals and Entertainment	\$ 7,971
OFFICER LIFE INSURANCE	25,065
30% AUTOMOBILE LEASE	5,851
Total	\$ <u>38,887</u>

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**Federal Statements**

FYE: 12/31/2006

**Statement 6 - Form 1065, Schedule L, Line 6 - Other Current Assets**

Description	Beginning of Year	End of Year
Due from Factor	\$ 539,227	\$ 153,486
Prepaid Expenses	31,552	29,542
Loan & Exchanges	4,351	
Prepaid NYC Tax	36,925	2,500
Total	\$ 612,055	\$ 185,528

**Statement 7 - Form 1065, Schedule L, Line 13 - Other Assets**

Description	Beginning of Year	End of Year
Security Deposits	\$ 58,190	\$ 58,190
Total	\$ 58,190	\$ 58,190

**Statement 8 - Form 1065, Schedule L, Line 17 - Other Current Liabilities**

Description	Beginning of Year	End of Year
Accrued Pension	\$ 45,166	\$
Accrued Expenses	238,249	
Taxes Payable		1,558
Total	\$ 283,415	\$ 1,558

**Statement 9 - Form 1065, Sch M-1, Ln 4 - Expenses Recorded on Books, Not on Sch K**

Description	Amount
OFFICER LIFE INSURANCE	\$ 25,065
30% AUTOMOBILE LEASE	5,851
Total	\$ 30,916

**Statement 10 - Form 1065, Sch M-1, Line 7 - Deductions Included on Sch K, Not on Books**

Description	Amount
Book-Tax Amortization Difference	\$ 1,000
Total	\$ 1,000

PRLBL PRIVATE LABEL SOURCING, LLC  
22-3800350

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**Partner Statements**  
**PRIVATE LABEL SOURCING, LLC**  
**Schedule K-1**Partner #: 1Partner Name: CHRISTINE A PETTISSN/EIN: 142-70-5012**Schedule K-1, Line 18 - Tax-Exempt Income and Nondeductible Expenses**

<u>Code</u>	<u>Description</u>	<u>Amount</u>
C	OFFICER LIFE INSURANCE	\$ 12,533
C	30% AUTOMOBILE LEASE	2,926
C	Nondeductible Meals and Entertainment	3,986

PRLBL PRIVATE LABEL SOURCING, LLC

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**Partner Statements**

FYE: 12/31/2006

**PRIVATE LABEL SOURCING, LLC  
Schedule K-1**Partner #: 2Partner Name: JETWELL GARMENTS, LTSSN/EIN: Applied For**Schedule K-1, Line 18 - Tax-Exempt Income and Nondeductible Expenses**

<u>Code</u>	<u>Description</u>	<u>Amount</u>
C	OFFICER LIFE INSURANCE	\$ 12,532
C	30% AUTOMOBILE LEASE	2,925
C	Nondeductible Meals and Entertainment	3,985

**Schedule K-1, Line 20W - Additional Supplemental Information**

<u>Description</u>	
Additional Alternative Minimum Tax Information:	
AMT Total Depreciation	21,698
ACE Post-1993 property depreciation	18,848

PRIVATE LABEL SOURCING, LLC  
597 BROADWAY 2ND FLOOR  
NEW YORK, NY 10012

[illegible]

**MANGO & HUBER, LLC, CPAS**  
**53 Cardinal Drive**  
**Westfield, NJ 07090**  
**908-654-3500**

October 15, 2007

**CONFIDENTIAL**

CHRISTINE A PETTI  
935 SEDGEWICK COURT  
WESTFIELD, NJ 07090

Dear Partner:

We have prepared the enclosed copy of your Schedule K-1 for PRIVATE LABEL SOURCING, LLC limited liability company. It contains your share of the limited liability company's items of income/loss, deductions, and credits, and other information for the limited liability company's tax year ended December 31, 2006. These items are to be reported on your federal income tax return; therefore, this schedule should be retained with your tax records and documentation.

Also enclosed is state K-1 information, if applicable. This information should also be retained with your tax records and documentation.

Also enclosed is your partner basis information. This information consists of your basis in the partnership and, if applicable, your share of any suspended or disallowed losses. Retain this information with your tax records; it may be needed to complete your federal income tax return.

We have retained a copy of this Schedule K-1 and the partner basis information for use in preparing your federal income tax return, Form 1040. We urge you to call for an appointment at your earliest convenience so that we might begin preparation of your individual tax returns.

If you have any questions, or if we can be of assistance in any way, please call.

Sincerely,

MANGO & HUBER, LLC, CPAS




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**Partner# 1**  
**Schedule K-1**  
**(Form 1065)**Department of the Treasury  
Internal Revenue Service**2006**For calendar year 2006, or tax  
year beginning \_\_\_\_\_  
ending \_\_\_\_\_**Partner's Share of Income, Deductions,  
Credits, etc.**

▶ See back of form and separate instructions.

<b>Part I Information About the Partnership</b>													
A Partnership's employer identification number	<b>22-3800350</b>												
B Partnership's name, address, city, state, and ZIP code	<b>PRIVATE LABEL SOURCING, LLC</b>  <b>597 BROADWAY 2ND FLOOR</b> <b>NEW YORK NY 10012</b>												
C IRS Center where partnership filed return	<b>Cincinnati, OH 45999-0011</b>												
D <input type="checkbox"/> Check if this is a publicly traded partnership (PTP)													
E <input type="checkbox"/> Tax shelter registration number, if any													
F <input type="checkbox"/> Check if Form 8271 is attached													
<b>Part II Information About the Partner</b>													
G Partner's identifying number	<b>142-70-5012</b>												
H Partner's name, address, city, state, and ZIP code	<b>CHRISTINE A PETTI</b>  <b>935 SEDGEWICK COURT</b> <b>WESTFIELD NJ 07090</b>												
I <input type="checkbox"/> General partner or LLC member-manager	<input checked="" type="checkbox"/> Limited partner or other LLC member												
J <input checked="" type="checkbox"/> Domestic partner	<input type="checkbox"/> Foreign partner												
K What type of entity is this partner?	<b>Individual</b>												
L Partner's share of profit, loss, and capital:													
	<table border="1"> <thead> <tr> <th></th> <th>Beginning</th> <th>Ending</th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td>50.000000 %</td> <td>50.000000 %</td> </tr> <tr> <td>Loss</td> <td>50.000000 %</td> <td>50.000000 %</td> </tr> <tr> <td>Capital</td> <td>49.188900 %</td> <td>49.188900 %</td> </tr> </tbody> </table>		Beginning	Ending	Profit	50.000000 %	50.000000 %	Loss	50.000000 %	50.000000 %	Capital	49.188900 %	49.188900 %
	Beginning	Ending											
Profit	50.000000 %	50.000000 %											
Loss	50.000000 %	50.000000 %											
Capital	49.188900 %	49.188900 %											
M Partner's share of liabilities at year end:													
Nonrecourse	\$ _____												
Qualified nonrecourse financing	\$ _____												
Recourse	\$ <b>1,698,387</b>												
N Partner's capital account analysis:													
Beginning capital account	\$ <b>-598,233</b>												
Capital contributed during the year	\$ _____												
Current year increase (decrease)	\$ <b>-415,533</b>												
Withdrawals & distributions	\$ ( _____ )												
Ending capital account	\$ <b>-1,013,766</b>												
<input checked="" type="checkbox"/> Tax basis	<input type="checkbox"/> GAAP												
<input type="checkbox"/> Other (explain)	<input type="checkbox"/> Section 704(b) book												

☐ Final K-1☐ Amended K-1**651106**  
OMB No. 1545-0099

<b>Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
1	Ordinary business income (loss)	15	Credits
	<b>-376,043</b>		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
	<b>43,590</b>		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
		<b>A</b>	<b>1</b>
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)	<b>C*</b>	<b>STMT</b>
12	Section 179 deduction	19	Distributions
13	Other deductions		
		20	Other information
14	Self-employment earnings (loss)		
<b>C</b>	<b>1,081,080</b>		
* See attached statement for additional information.			
<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: small; margin-right: 10px;">For IRS Use Only</div>  </div>			

For Privacy Act and Paperwork Reduction Act Notice, see Instructions for Form 1065.

Schedule K-1 (Form 1065) 2006

DAA

Schedule K-1 (Form 1065) 2006

Page 2

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
1. <b>Ordinary business income (loss).</b> You must first determine whether the income (loss) is passive or nonpassive. Then enter on your return as follows:	K Empowerment zone and renewal community employment credit	Form 8844, line 3
Passive loss	L Credit for increasing research activities	See the Partner's Instructions
Passive income	M New markets credit	
Nonpassive loss	N Credit for employer social security and Medicare taxes	
Nonpassive income	O Backup withholding	Form 1040, line 64
	P Other credits	See the Partner's Instructions
2. <b>Net rental real estate income (loss)</b>		
3. <b>Other net rental income (loss)</b>		
Net income		Schedule E, line 28, column (g)
Net loss		See the Partner's Instructions
4. <b>Guaranteed payments</b>		Schedule E, line 28, column (j)
5. <b>Interest income</b>		Form 1040, line 8a
6a. <b>Ordinary dividends</b>		Form 1040, line 9a
6b. <b>Qualified dividends</b>		Form 1040, line 9b
7. <b>Royalties</b>		Schedule E, line 4
8. <b>Net short-term capital gain (loss)</b>		Schedule D, line 5, column (f)
9a. <b>Net long-term capital gain (loss)</b>		Schedule D, line 12, column (f)
9b. <b>Collectibles (28%) gain (loss)</b>		28% Rate Gain Worksheet, line 4 (Schedule D Instructions)
9c. <b>Unrecaptured section 1250 gain</b>		See the Partner's Instructions
10. <b>Net section 1231 gain (loss)</b>		See the Partner's Instructions
11. <b>Other income (loss)</b>		
Code		
A Other portfolio income (loss)		See the Partner's Instructions
B Involuntary conversions		See the Partner's Instructions
C Sec. 1256 contracts & straddles		Form 6781, line 1
D Mining exploration costs recapture		See Pub. 535
E Cancellation of debt		Form 1040, line 21 or Form 982
F Other income (loss)		See the Partner's Instructions
12. <b>Section 179 deduction</b>		See the Partner's Instructions
13. <b>Other deductions</b>		
A Cash contributions (50%)		See the Partner's Instructions
B Cash contributions (30%)		
C Noncash contributions (50%)		
D Noncash contributions (30%)		
E Capital gain property to a 50% organization (30%)		
F Capital gain property (20%)		
G Investment interest expense		Form 4952, line 1
H Deductions-royalty income		Schedule E, line 18
I Section 59(e)(2) expenditures		See the Partner's Instructions
J Deductions-portfolio (2% floor)		Schedule A, line 22
K Deductions-portfolio (other)		Schedule A, line 27
L Amounts paid for medical insurance		Schedule A, line 1 or Form 1040, line 29
M Educational assistance benefits		See the Partner's Instructions
N Dependent care benefits		Form 2441, line 12
O Preproductive period expenses		See the Partner's Instructions
P Commercial revitalization deduction from rental real estate activities		See Form 8582 Instructions
Q Pensions and IRAs		See the Partner's Instructions
R Reforestation expense deduction		See the Partner's Instructions
S Domestic production activities information		See Form 8903 instructions
T Qualified production activities income		Form 8903, line 7
U Employer's W-2 wages		Form 8903, line 13
V Other deductions		See the Partner's Instructions
14. <b>Self-employment earnings (loss)</b>		
Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.		
A Net earnings (loss) from self-employment		Schedule SE, Section A or B
B Gross farming or fishing income		See the Partner's Instructions
C Gross non-farm income		See the Partner's Instructions
15. <b>Credits</b>		
A Low-income housing credit (section 42(j)(5))		See the Partner's Instructions
B Low-income housing credit (other)		
C Qualified rehabilitation expenditures (rental real estate)		
D Other rental real estate credits		
E Other rental credits		
F Undistributed capital gains credit		Form 1040, line 70; check box a
G Credit for alcohol used as fuel		See the Partner's Instructions
H Work opportunity credit		See the Partner's Instructions
I Welfare-to-work credit		
J Disabled access credit		
16. <b>Foreign transactions</b>		
A Name of country or U.S. possession		Form 1116, Part I
B Gross income from all sources		
C Gross income sourced at partner level		
Foreign gross income sourced at partnership level		
D Passive		Form 1116, Part I
E Listed categories		
F General limitation		
Deductions allocated and apportioned at partner level		
G Interest expense		Form 1116, Part I
H Other		Form 1116, Part I
Deductions allocated and apportioned at partnership level to foreign source income		
I Passive		Form 1116, Part I
J Listed categories		
K General limitation		
Other information		
L Total foreign taxes paid		Form 1116, Part II
M Total foreign taxes accrued		Form 1116, Part II
N Reduction in taxes available for credit		Form 1116, line 12
O Foreign trading gross receipts		Form 8873
P Extraterritorial income exclusion		Form 8873
Q Other foreign transactions		See the Partner's Instructions
17. <b>Alternative minimum tax (AMT) items</b>		
A Post-1986 depreciation adjustment		See the Partner's Instructions and the instructions for Form 6251
B Adjusted gain or loss		
C Depletion (other than oil & gas)		
D Oil, gas, & geothermal-gross income		
E Oil, gas, & geothermal-deductions		
F Other AMT items		
18. <b>Tax-exempt income and nondeductible expenses</b>		
A Tax-exempt interest income		Form 1040, line 8b
B Other tax-exempt income		See the Partner's Instructions
C Nondeductible expenses		See the Partner's Instructions
19. <b>Distributions</b>		
A Cash and marketable securities		See the Partner's Instructions
B Other property		See the Partner's Instructions
20. <b>Other information</b>		
A Investment income		Form 4952, line 4a
B Investment expenses		Form 4952, line 5
C Fuel tax credit information		Form 4136
D Qualified rehabilitation expenditures (other than rental real estate)		See the Partner's Instructions
E Basis of energy property		See the Partner's Instructions
F Recapture of low-income housing credit (section 42(j)(5))		Form 8611, line 8
G Recapture of low-income housing credit (other)		Form 8611, line 8
H Recapture of investment credit		Form 4255
I Recapture of other credits		See the Partner's Instructions
J Look-back interest-completed long-term contracts		Form 8697
K Look-back interest-income forecast method		Form 8866
L Dispositions of property with section 179 deductions		See the Partner's Instructions
M Recapture of section 179 deduction		
N Interest expense for corporate partners		
O Section 453(l)(3) information		
P Section 453A(c) information		
Q Section 1260(b) information		
R Interest allocable to production expenditures		
S CCF nonqualified withdrawals		
T Information needed to figure depletion-oil and gas		
U Amortization of reforestation costs		
V Unrelated business taxable income		
W Other information		

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**Partner Statements**

FYE: 12/31/2006

**PRIVATE LABEL SOURCING, LLC  
Schedule K-1**Partner #: 1Partner Name: CHRISTINE A PETTISSN/EIN: 142-70-5012**Schedule K-1, Line 18 - Tax-Exempt Income and Nondeductible Expenses**

<u>Code</u>	<u>Description</u>	<u>Amount</u>
C	OFFICER LIFE INSURANCE	\$ 12,533
C	30% AUTOMOBILE LEASE	2,926
C	Nondeductible Meals and Entertainment	3,986

PRLBL PRIVATE LABEL SOURCING, LLC

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22-3800350 **Analysis of Partner's K-1, Current Year Inc (Dec)**

FYE: 12/31/2006

**PRIVATE LABEL SOURCING, LLC**Partner #: 1Partner Name: CHRISTINE A PETTIItems Included in Current Year Inc (Dec):Schedule K Additions:

Ordinary Income\Loss	\$	-376,043
	Subtotal	-376,043

Schedule M-1 Additions:

Book-Tax Amortization Difference	500
Subtotal	500

Schedule M-1 Subtractions:

Book-Tax Depreciation Difference	20,545
Meals & Entertainment	3,986
<u>Book Expenses Not Deducted On Tax Return:</u>	
OFFICER LIFE INSURANCE	12,533
30% AUTOMOBILE LEASE	2,926
Subtotal	39,990

Total per Schedule K-1, Current Year Inc (Dec)	\$	-415,533
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Partner# 1

Schedule <b>K-1</b>		<b>Partner's Basis Worksheet, Page 1</b>		<b>2006</b>
For calendar year 2006, or tax year beginning				and ending

Partnership Name <b>PRIVATE LABEL SOURCING, LLC</b>	Employer Identification Number <b>22-3800350</b>
Partner's Name <b>CHRISTINE A PETTI</b>	Taxpayer Identification Number <b>142-70-5012</b>

Beginning of year ..... 0

**Increases:**

## Capital contributions:

Cash .....

Property (adjusted basis) .....

Increase in share of partnership liabilities .....

**1,698,387**

"Excess" depletion .....

## Income items:

Ordinary income .....

Net income from rental real estate activities .....

Net income from other rental activities .....

Interest .....

Dividends .....

Royalties .....

Net short-term capital gain .....

Net long-term capital gain .....

Other portfolio income .....

Net gain under Section 1231 .....

Other income .....

Tax-exempt interest and other income .....

## Other increases: .....

## Distributions:

Cash .....

Property (adjusted basis) .....

Decrease in share of partnership liabilities .....

**Subtotal** ..... **1,698,387****Decreases:**Nondeductible noncapital expenses ..... **19,445**

## Deductible items:

Ordinary loss ..... **376,043**

Net loss from rental real estate activities .....

Net loss from other rental activities .....

Royalties .....

Net short-term capital loss .....

Net long-term capital loss .....

Other portfolio loss .....

Net loss under Section 1231 .....

Other losses .....

Charitable contributions .....

Section 179 expense .....

Deductions related to portfolio income .....

Other deductions .....

Interest expense on investment debts .....

Foreign taxes .....

Section 59(e) expenses .....

Depletion .....

**395,488**

Other decreases: .....

**End of year** ..... **1,302,899**

\*Note to partner: This worksheet was prepared based on partnership records. Please consult with your tax advisor for adjustments.

**STATE OF NEW JERSEY**  
**PARTNER'S SHARE OF INCOME**

For Calendar Year 2006, or Fiscal Year Beginning \_\_\_\_\_ and ending \_\_\_\_\_

<b>PART I General Information</b>			
Partner's SS # or Federal EIN <b>142-70-5012</b>		Partnership's Federal EIN <b>22-3800350</b>	
Partner's Name <b>CHRISTINE A PETTI</b>		Partnership's Name <b>PRIVATE LABEL SOURCING, LLC</b>	
Street Address <b>935 SEDGEWICK COURT</b>		Partnership's Street Address <b>597 BROADWAY 2ND FLOOR</b>	
City <b>WESTFIELD</b>	State <b>NJ</b>	Zip Code <b>07090</b>	
City <b>NEW YORK</b>	State <b>NY</b>	Zip Code <b>10012</b>	
What type of entity is partner? (see instructions) <u>RI</u> Code		Enter Partner's percentage of: (i) Before Decrease or Termination (ii) End of year	
Date Partner's Interest in Partnership began: <u>7/01/01</u> Month Day Year		Profit Sharing <u>50.000000%</u> <u>50.000000%</u>	
<input type="checkbox"/> Final NJK-1 <input type="checkbox"/> Amended NJK-1		<input type="checkbox"/> Hedge Fund <input type="checkbox"/> Member of Composite Return	
		Loss Sharing <u>50.000000%</u> <u>50.000000%</u>	
		Capital Ownership <u>49.188900%</u> <u>49.188900%</u>	

<b>PART II Income Information</b>				
Income Classifications	A. Total Distribution	NJ-1040 Filers Enter Amounts on Line Shown Below	B. New Jersey Source Amounts	NJ-1040NR Filers
1. Partnership Income (loss)	-379,779		-7,861	
2. Net Guaranteed Payments	43,590		902	
3. Partner's 401(k) Contribution				
4. Distributive Share of Partnership Income (loss) (Line 1 plus Line 2 minus Line 3)	-336,189	Line 20, Page 2	-6,959	Line 22, Page 1
5. Pension		Line 19a, Page 2		

<b>PART III Partner's Information</b>		
1. Nonresident Partner's Share of NJ Tax	0	
2. Partner's HEZ Deduction		
3. Partner's Sheltered Workshop Tax Credit		

<b>PART IV Supplemental Information (Attach Schedule)</b>		
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**THIS FORM MAY BE REPRODUCED**

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Partner# 1

NY Partner's Share of Modifications, Credits, Etc Worksheet		2006												
Form <b>IT-204</b>														
Schedule K-1														
For calendar year 2006, or fiscal year beginning		and ending												
Partner's identifying number	142-70-5012	Partnership's identifying number 22-3800350												
Partner's name, address, and ZIP code		Partnership's name, address, and ZIP code												
CHRISTINE A PETTI 935 SEDGEWICK COURT WESTFIELD NJ 07090		PRIVATE LABEL SOURCING, LLC 597 BROADWAY 2ND FLOOR NEW YORK NY 10012												
Composite filer - New York State <input type="checkbox"/> Nonresident <input checked="" type="checkbox"/> Taxes paid - New York State <input type="checkbox"/> Resident <input type="checkbox"/> Composite filer - Yonkers <input type="checkbox"/> Final <input type="checkbox"/> Taxes paid - Yonkers <input type="checkbox"/> Amended <input type="checkbox"/>		Partner's percentage of: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Beginning of Year</th> <th style="text-align: center;">End of Year</th> </tr> </thead> <tbody> <tr> <td>Profit sharing</td> <td style="text-align: center;">50.000000 %</td> <td style="text-align: center;">50.000000 %</td> </tr> <tr> <td>Loss sharing</td> <td style="text-align: center;">50.000000 %</td> <td style="text-align: center;">50.000000 %</td> </tr> <tr> <td>Ownership of capital</td> <td style="text-align: center;">49.188900 %</td> <td style="text-align: center;">49.188900 %</td> </tr> </tbody> </table>		Beginning of Year	End of Year	Profit sharing	50.000000 %	50.000000 %	Loss sharing	50.000000 %	50.000000 %	Ownership of capital	49.188900 %	49.188900 %
	Beginning of Year	End of Year												
Profit sharing	50.000000 %	50.000000 %												
Loss sharing	50.000000 %	50.000000 %												
Ownership of capital	49.188900 %	49.188900 %												

**Part 1 - Partners' NY modifications**

9 New York State additions	See Statement	250.
10 New York State subtractions		
11 Additions to federal itemized deductions		
12 Subtractions from federal itemized deductions		

**Part 2 - Partners' credit information**

15 Investment credit	
16 Research and development property - investment credit	
17 Addback of investment credit on early dispositions	
18 Defibrillator credit	
19 Investment credit for the financial services industry	
20 Addback of investment credit on early dispositions for the financial services industry	
21 Credit for employment of persons with disabilities	
22 Special additional mortgage recording tax credit	
23 Alternative fuels credit	
24 Addback of alternative fuels credit on early dispositions	
25 Empire State film production credit	
26 Industrial or manufacturing business (IMB) credit	
27 Low income housing credit	
28 Green building credit	
29 Long-term care insurance credit	
30 EZ wage tax credit	
31 Site preparation credit component	
32 Tangible property credit component	
33 On-site groundwater remediation credit component	
34 Addback of brownfield redevelopment tax credit	
35 Claim for remediated brownfield credit for real property taxes	
36 Addback of remediated brownfield credit for real property taxes	
37 Claim for environmental remediation insurance credit	
38 Addback of environmental remediation insurance credit	
39 EZ capital tax credit for investments in certified EZ business	
40 EZ capital tax credit for monetary contributions to EZ development projects	
41 EZ investment tax credit and EZ employment incentive credit	
42 QEZE credit for real property taxes	
43 QEZE employment increase factor	
44 QEZE zone allocation factor	
45 QEZE benefit period factor	
46 Addback of QEZE credit for real property taxes	
47 EZ-ITC and EZ-EIC for the financial services industry	
48 Addback of EZ capital tax, EZ-ITC, and EZ-EIC	
49 Addback of EZ-ITC and EZ-EIC for the financial services industry	

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Partner# 1

CHRISTINE A PETTI

Sch K-1 (Form IT-204) 2006

PRIVATE LABEL SOURCING, LLC

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**Part 2 - Partners' credit information (continued)**

50	QETC employment credit	
51	QETC capital tax credit	
52	QETC facilities, operations, and training credit	
53	Addback of QETC capital tax credit and low-income housing credit	
54	Security officer training credit	
55	Total acres of qualified agricultural property	
56	Total acres of qualified conservation property	
57	Total amount of eligible taxes paid	
58	Total acres of qualified agricultural property converted to nonqualified use	
59	Claim for fuel cell electric generating equipment credit	
60	Conservation easement credit	
61	Biofuel production credit	
62	Clean heating fuel credit	
63	Handicapped-accessible taxicabs and livery service vehicles credit	

**Part 3 - Income and deductions allocated to New York**

64	Ordinary income (loss) from trade or business activities	-368,259.
65	Net income or loss for New York rental real estate activities	
66	Net income or loss from other rental activities	
67	Portfolio income (loss)	
68	Guaranteed payments to partners	42,688.
69	Net gain (loss) under IRC section 1231	
70	Other income	
71	Expense deduction for property under IRC section 179	
72	Deductions related to portfolio income	
73	Other deductions	
74	Tax preference items for minimum tax	See Statement 1.
75	New York adjustments to federal tax preference items	
76	Investment interest expense	
77	Other items not included above that are required to be reported separately to partners	

**Corporate Partner's Business Allocation Information****Average value of property**

	New York State	Everywhere
Real estate owned		
Inventories owned		
Personal property owned		
Property rented		

**Receipts in the regular course of business**

Sales of tangible personal property allocated to NY state		
All sales of tangible personal property		
Services performed		
Other business receipts		

**Payroll**

Wages and other compensation of employees		
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**Corporate Partner's Investment Allocation Information**

	Average Value	Liabilities Attributed To Investment Capital	Issuer's Allocation Percentage
Corporate and governmental debt instruments			
Corp stock, stock rights, stock warrants, and stock options			
Cash			

**Supplemental Information**



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22-3800350

**NY Partner Statements**

FYE: 12/31/2006

**PRIVATE LABEL SOURCING, LLC  
Schedule K-1**Partner #: 1Partner Name: CHRISTINE A PETTISSN/EIN: 142-70-5012**Form IT-204, Schedule K-1, Line 9 - New York State Additions**

<u>Code</u>	<u>Description</u>	<u>Amount</u>
A-1	Personal income and unincorporated business taxes	\$ 250

**Form IT-204, Schedule K-1, Line 73 - Tax Preference Items for Minimum Tax**

<u>Description</u>	<u>Amount</u>
Depr Adjmt Prop Serv Aft 1986	\$ 1

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Partner# 1

Form <b>NYC-204</b> <b>Schedule K-1</b>		<b>NYC Partner's Share of Modifications Worksheet</b>		<b>2006</b>												
For calendar year 2006, or fiscal year beginning		and ending														
<b>Partner's identifying number</b> 142-70-5012		<b>Partnership's identifying number</b> 22-3800350														
<b>Partner's name, address, and ZIP code</b>  CHRISTINE A PETTI 935 SEDGEWICK COURT WESTFIELD NJ 07090		<b>Partnership's name, address, and ZIP code</b>  PRIVATE LABEL SOURCING, LLC 597 BROADWAY 2ND FLOOR NEW YORK NY 10012														
Amended <input type="checkbox"/> Final <input type="checkbox"/> Resident <input type="checkbox"/> Nonresident <input checked="" type="checkbox"/>		<b>Partner's percentage of:</b> <table> <thead> <tr> <th></th> <th>Beginning of Year</th> <th>End of Year</th> </tr> </thead> <tbody> <tr> <td>Profit sharing</td> <td>50.000000 %</td> <td>50.000000 %</td> </tr> <tr> <td>Loss sharing</td> <td>50.000000 %</td> <td>50.000000 %</td> </tr> <tr> <td>Ownership of capital</td> <td>49.188900 %</td> <td>49.188900 %</td> </tr> </tbody> </table>				Beginning of Year	End of Year	Profit sharing	50.000000 %	50.000000 %	Loss sharing	50.000000 %	50.000000 %	Ownership of capital	49.188900 %	49.188900 %
	Beginning of Year	End of Year														
Profit sharing	50.000000 %	50.000000 %														
Loss sharing	50.000000 %	50.000000 %														
Ownership of capital	49.188900 %	49.188900 %														

**Additions**

13	All income taxes and unincorporated business taxes	250.
14a	Sales and use tax credit	
14b	Relocation credits	
14c	Expenses related to exempt income	
14d	Depreciation adjustments	
14e	Exempt activities	
15	Other additions	
Total additions		250.

**Subtractions**

17	All income tax and unincorporated business tax	
18	Sales and use tax refunds from vendors or NY State	
19	Wages and salaries subject to federal jobs credit	
20	Depreciation adjustment	
21	Exempt income	
22	50% of dividends	
23	Exempt activities	
24	Other subtractions	
Total subtractions		

**Credit for UBT Paid**

Form NYC-204, line 19	
Form NYC-204, line 21	
Form NYC-204, line 25	
Form NYC-204, lines 22 and 24a through 24d	
Percentage of Total Distributive Shares (NYC-204, Sch C, Col 4)	

**Allocation Percentages - Nonresident Partners Only**

Business allocation percentage	97.93000 %
Investment allocation percentage	%
NYC allocated income	

**Supplemental Information**


PRIVATE LABEL SOURCING, LLC  
597 BROADWAY 2ND FLOOR  
NEW YORK, NY 10012

JETWELL GARMENTS, LT  
576-586 CASTLE PEAK ROAD  
CHEUNG SAH WAN  
KOWLOON,

**MANGO & HUBER, LLC, CPAS**  
**53 Cardinal Drive**  
**Westfield, NJ 07090**  
**908-654-3500**

October 15, 2007

**CONFIDENTIAL**

JETWELL GARMENTS, LT  
576-586 CASTLE PEAK ROAD  
CHEUNG SAH WAN  
KOWLOON,

Dear Partner:

We have prepared the enclosed copy of your Schedule K-1 for PRIVATE LABEL SOURCING, LLC limited liability company. It contains your share of the limited liability company's items of income/loss, deductions, and credits, and other information for the limited liability company's tax year ended December 31, 2006. These items are to be reported on your federal income tax return; therefore, this schedule should be retained with your tax records and documentation.

Also enclosed is state K-1 information, if applicable. This information should also be retained with your tax records and documentation.

Also enclosed is your partner basis information. This information consists of your basis in the partnership and, if applicable, your share of any suspended or disallowed losses. Retain this information with your tax records; it may be needed to complete your federal income tax return.

If you have any questions, or if we can be of assistance in any way, please call.

Sincerely,

MANGO & HUBER, LLC, CPAS